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To: Energy, Environmental, and Economic Policy Makers
From Charlie Cary, Principal
Re: Public Comments
Date: August 11, 2010

I attended the meeting in Boston on the 27th and decided written comments were a more efficient way to communicate than testifying. The meeting unquestionably illustrated how difficult it is to formulate good wood energy policy with the current political polarization. In the black and white world of today's politics, wood energy is a difficult shade of grey. The State of Massachusetts is to be commended for taking a hard look at all sides of the wood to electric generation business and is certainly to be congratulated for putting the carbon debt idea on the table. My hope is that this scrutiny will shine a spot light on the benefits of smaller scale, decentralized, and thermally based wood energy projects.

I have been in the Industrial Wood Energy business for 25 years. My Company, Biomass Combustion Systems of Worcester, Mass. has supplied over 400 wood fired furnaces and boilers primarily to the Midwest and Southeast markets. From this perspective I offer the following comments:

1) The Secretary's letter of July 7th relies on the limited scope of the Manomet report to formulate broad policy recommendations. In my experience, wood for smaller thermally based projects comes from wood residue which has a very short carbon debt payback. It seems short sighted to create policy based on the worse case harvesting scenario covered by this report. Shouldn't State policy be encouraging the use of wood residue as fuel? Where the wood comes from is an important consideration which should not be overlooked in formulating policy.

2) Similarly, the Manomet study concludes that biomass for heat and cogeneration leads to the most efficient and rapid reduction in green gas emissions. Yet the Secretary's letter focuses exclusively on combined heat and power without crediting the benefits of efficient thermal energy production from wood. Given the amount of imported fossil fuel used for thermal energy production in the State, and that burning wood displaces greenhouse gas emissions from fossil fuels, the State should recognize and support the production of heat from wood. Currently there is no policy framework to address greenhouse gas reductions from burning wood for heat and one is desperately needed to show public sector support for our industry.

3) The Manomet Report had limited discussion of the environmental costs and benefits but says nothing about the social costs and benefits of burning wood for heat I would hope that as wood energy policy is formulated the benefits of using an available, renewable resource would weigh into the discussion. The decentralized, thermally based systems sold by my Company help stabilize and lower energy costs, make a community more energy independent and create jobs while keeping energy dollars in local communities. These benefits flow to the individual, business, community, State and Country. In our increasingly centralized, polarized world shouldn't these benefits weigh heavily into our policy discussions?

4) You can not have good forest management without markets for low grade wood. Currently the wood residue from the Worcester based Long Horn Beetle is being trucked to Maine to produce energy. Massachusetts is blessed with a renewable energy resource and needs to do a better job developing markets for wood residue. As policy makers look for markets for this material, locally based thermal energy production just makes sense. Dozens of schools can be heated with the same wood required for one electric generating station.

5) The best benefit from large centralized biomass plants is that they quickly develop a regional harvesting infrastructure. Massachusetts is rapidly loosing this harvesting infrastructure and needs to recognize the impact "temporary" cutting moratoriums have on the private sector. We need loggers and loggers need to eat while policy is being formulated. There are remarkably few of these "rural" jobs in this State. I sure hope the State will move quickly to support this work for the local benefits mentioned above.

6) Connecting locally based wood resources with local thermal energy demand will make it easier to enforce sustainable harvesting. The larger the project the larger the fuel shed and the more difficult it is to track fuel sources. With smaller projects it is much easier to determine if the fuel shed will sustainably supply the project.

7) In my public comment on the proposed Federal MACT air standard for wood fired boilers I wrote: "The private sector has spoken on the cost effectiveness of baghouses and ESPs in my home state of Massachusetts. There has not been a wood fired boiler sited in the State without significant public sector subsidies since the State implemented regulations requiring this expensive fuel gas filtration equipment." Regrettably, these subsidies have been rare. For years the State of Massachusetts has held wood energy to a higher environmental standard than most of the rest of the Country without supporting the industry. The result is wood resources flowing out of the state for neighboring fuel markets, very few wood fired boilers in the State and poor markets for low grade. If the States wants both tough environmental standards and the benefits from decentralized thermal energy production, it MUST offer some subsidy to the industry just as it has offered subsidies to wind and solar.

The State of Massachusetts is blessed with an underutilized resource which can help reduce the State's dependence on imported fossil fuel. The State's Policy Makers have a real opportunity to balance the State's policy, which currently favors large scale plants, so these smaller scale systems can thrive. The benefits of this policy shift will ripple through the State's economy while it reduces its greenhouse gas footprint.